

**GOVERNMENT OF INDIA
COMMUNICATIONS
LOK SABHA**

UNSTARRED QUESTION NO:4668
ANSWERED ON:19.12.2001
FOURTH CELLULAR LICENCE
RAMJI MANJHI;SHEESH RAM SINGH RAVI

Will the Minister of COMMUNICATIONS be pleased to state:

- (a) whether the Department of Telecommunications has `vitiating` the licensing process and granted licences to only three companies without considering applications of other for fixed-line service licence and allowed defaulting firms to bid for fourth cellular licence;
- (b) if so, the reasons therefor;
- (c) whether the Department of Telecommunications are creating unfair competition;
- (d) whether there selection process is also lack of transparency;
- (e) if so, whether there is any proposal to hand over the matter to CBI for investigation;
- (f) if not, the reasons therefor; and
- (g) the action taken by the Government in the matter?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMUNICATIONS (SHRI TAPAN SIKDAR)

(a) & (b): Sir, the licensing process has been transparent and has not been vitiated. In the case of licences for Basic Service (Fixed Line Service), all the applications received were considered and processed; Letters of Intent were issued to six companies towards grant of licences. Out of the six companies, licences were granted to the three companies who complied with the requirements of the offered Letters of Intent and in other cases the offers were cancelled for non-compliance of the conditions. In the case of Cellular Licences, there was no bar for bidding for the licences even if any company was a defaulter; however, the default, if any, was to be cleared by the successful bidder before grant of any licence.

(c) & (d): No, Sir.

(e) to (g): Do not arise in view of (c) and (d) above.